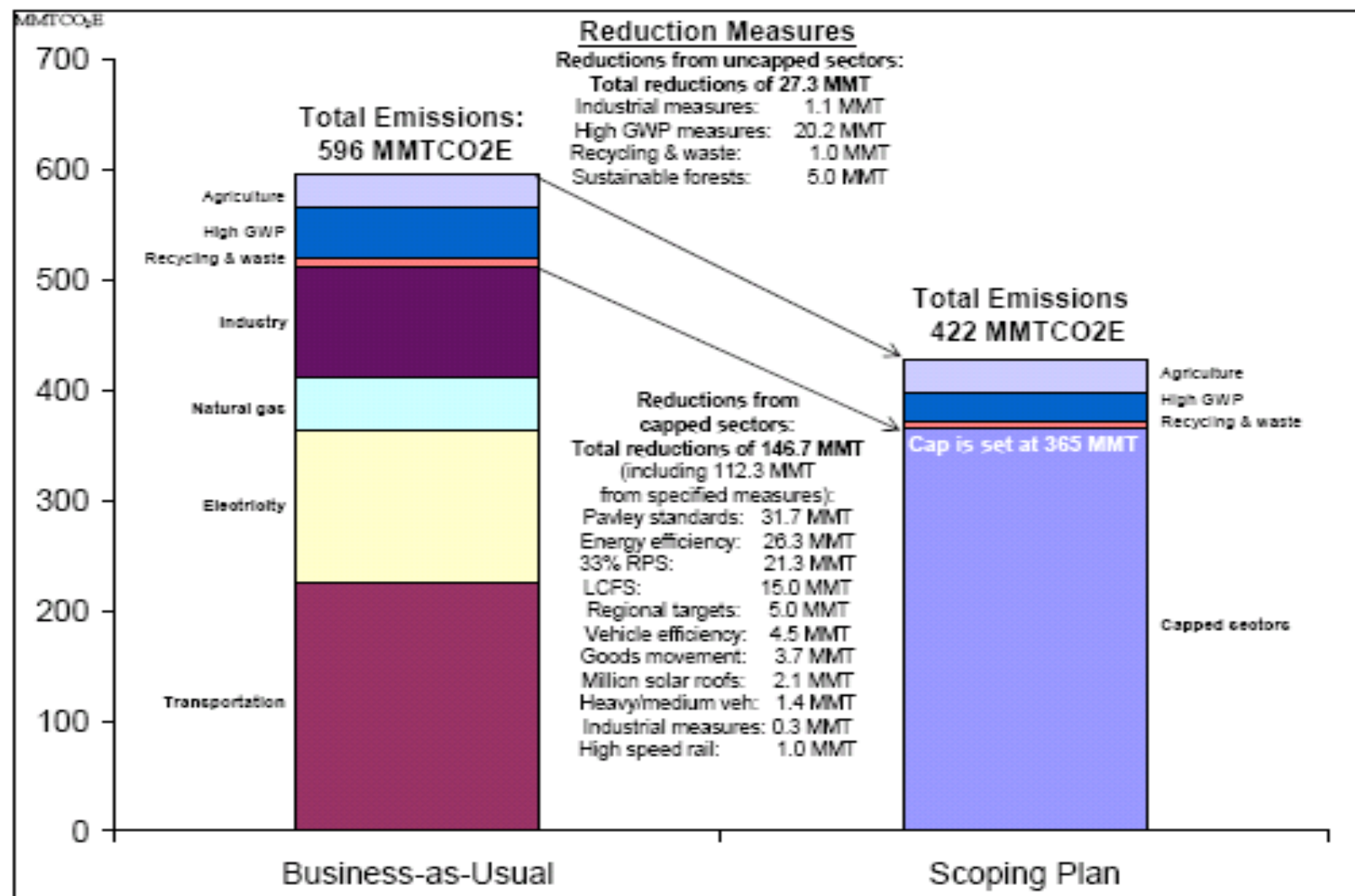


Offsets and AB 32: Challenges and Opportunities

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Figure 3: California Greenhouse Gas Emissions in 2020 and Recommended Reduction Measures



Basic Guidelines for Offsets

- All offsets must meet high quality standards (AB 32 requirements)
- The majority of emission reductions must be met through action at capped sources
 - No more than 49% of reductions can come from offsets
- No geographic limits

Project qualities that help determine availability for use in compliance market

- Project type
- Accounting
- Permanence
- Verification
- Environmental Integrity
- Enforcement
- Additionality
- Geographic location
 - Issue: Trade barriers

Other qualities CARB may consider:

- Transparency
 - Public participation
 - Availability of all project information
- Co-benefits
- Community Impacts

Geographic Eligibility: Key Issues

- CARB may issue offsets for “*Projects implemented in a jurisdiction with an agreement with California.*”
- CARB would need to “*determine how to enforce.*”

Importance of Economics

Studies on economic benefits of REDD:

- Globally: 550ppm will cost 10-25% less
- In the U.S.: REDD could lower allowance prices by about 13%



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finding the ways that work